

Division of Securities
Utah Department of Commerce
160 East 300 South
P.O. Box 146760
Salt Lake City, Utah 84114-6760
Telephone: 801 530-6600
Facsimile: 801 530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

ANTHONY GONZALES (GREY)

Respondent.

ORDER TO SHOW CAUSE

Docket No. SD-02-0069

TO: Anthony Gonzales (Grey)
18653 Ventura Blvd. Apt. #236
Tarzana, CA 91356-4103

Based upon information and belief, the Director of the Utah Division of Securities ("the Director") finds that Anthony Gonzales Grey ("Gonzales") engaged in acts and practices that constitute violations of the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. ("the Act"). Those acts are more fully described herein. Having reviewed the relevant facts discovered in the course of the Division staff's investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF FACTS

1. E-Views Safety Systems, Inc. (“E-Views”) is a Nevada Corporation in the business of designing specialized systems for improving transportation safety and efficiency. E-Views’ principal place of business is Agoura Hills, California.
2. Anthony Gonzales (“Gonzales”) is an individual who at all times relevant to this action acted as an agent of E-Views. The last known address of Gonzales is 18653 Ventura Blvd. Apt. 236, Tarzana, California.
3. On or about early January 2001, Gonzales telephoned Debra A. Scovill (“Scovill”) and suggested she invest in E-Views. Gonzales told Scovill that an investment in E-Views was a “sure thing” and the company would be going through an initial public offering very soon. Gonzales pressured Scovill to purchase the stock quickly before E-View’s March media event because after the media event the price of the stock would be higher than the current \$3.00 per share price. Gonzales told Scovill that she could purchase E-Views for \$3.00 per share, and once public it would open at a minimum of \$9.00 per share. Gonzales mailed Scovill an E-Views Purchaser Questionnaire.
4. Gonzales telephoned Scovill again a couple of days later to assist her in completing the Purchaser Questionnaire. Scovill told Gonzales several times during the course of the conversation that she did not qualify to invest in E-Views because she was a school teacher and did not have sufficient income or net worth. Scovill also told Gonzales she had very little investment experience.
5. Gonzales told Scovill not to worry about qualifying, but to simply leave the personal questions blank and send him the questionnaire.

6. On about January 17, 2001, Scovill Federal Expressed her investment of \$30,000 and the Purchaser Questionnaire to Anthony Gonzales for the purchase of 10,000 shares of E-Views common stock.
7. In early July, Gonzales telephoned Scovill and told her E-Views had been in trouble with the Utah Division of Securities for the sale of unregistered securities. Gonzales told Scovill not to worry, but if an agent of any governmental agency called her to inquire of her E-Views investment, simply to tell the agent Gonzales and Scovill were friends before he approached her about the investment opportunity.
8. On May 4, 2001, the Division issued an Order to Show Cause against E-Views and two of its unlicensed agents for the solicitation of unregistered E-Views securities in the State of Utah and securities fraud.
9. The investment offered by Gonzales is a security as defined in § 61-1-13(24)(a)(ii) of the Act.

CAUSES OF ACTION

COUNT I

(Unlicensed Agent under Utah Code Ann. § 61-1-3(1))

10. Section 61-1-3(1) of the Act states:
It is unlawful for any person to transact business in this state as a broker-dealer or agent unless the person is licensed under this chapter.
11. Section 61-1-13(2) of the Act defines an “agent” as:
(A)ny individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities.

12. A search of the Division's records indicates that Gonzales was not, and is not, licensed to sell securities in Utah. Gonzales effected the sale of securities in Utah to Scovill in January 2001.
13. Accordingly, Gonzales violated Section 61-1-3(1) by transacting business in the state of Utah as an agent of E-Views without being licensed by the Division.

COUNT II
(Securities Fraud)

14. Utah Code Ann. §61-1-1 states:

It is unlawful for any person, in connection with the offer, sale or purchase of any security, directly or indirectly to:

(1) employ any device, scheme, or artifice to defraud;

(2) make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or

(3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

15. Gonzales represented to Scovill that an investment in E-Views was a "sure thing" and that it would become publicly traded very quickly. Gonzales also told Scovill that E-Views would begin trading at a minimum of \$9.00 per share.
16. When Scovill told Gonzales that she did not qualify for the investment based on her income, net worth, and lack of investment experience, Gonzales instructed Scovill not to worry about qualifying, but to sign the document and just leave the investment experience

- and wealth questions blank. Based on this advice, Scovill left all personal financial questions on page 6 of the Purchaser Questionnaire blank.
17. After receiving Scovill's Purchaser Questionnaire, Gonzales untruthfully completed the empty spaces.
 18. In late June or early August, Gonzales telephoned Scovill and told her that there was a problem with E-Views selling stock in the state of Utah. Gonzales told Scovill that if an agent of a governmental agency called her, to tell the governmental agent that Gonzales and Scovill had a pre-existing relationship prior to her investing.
 19. The actions and representations made by Gonzales during the sale of E-Views common stock in violation of Section 61-1-1 of the Act.

ORDER

The Director, pursuant to Utah Code Ann. § 61-1-20, hereby orders Respondent to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur at the place, date and time set forth in the Notice of Agency Action. If Respondent fails to appear at the hearing, an order to cease and desist may be issued and a fine imposed by default against Respondent, as provided by Utah Code Ann. § 63-46b-11. At the hearing, Respondent may show cause, if any they have:

1. Why Respondent should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. §§ 6-1-3(1) and 61-1-1, or any other section of the Act;

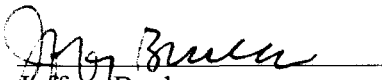
2. Why Respondent should not be ordered to pay a fine to the Division in an amount to be determined at the hearing; and
3. Why Respondent should not be found to have engaged in the violations alleged by the Division.

DATED this 1st day of April, 2002.



S. Anthony Taggart
Director
Utah Division of Securities

Approved:



Jeffrey Buckner
Assistant Attorney General

Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, Utah 84145-6760
Telephone: (801) 530-6600

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF

ANTHONY GONZALES (GREY)

Respondent.

NOTICE OF AGENCY ACTION

Docket No. SD-02-0069

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences an formal adjudicative proceeding against you as of the date of mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §63-46b-3 and Utah Code Ann. §63-46b-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the date of this notice, you are required to file a written response with the Division. The response you file may be helpful in clarifying, refining or narrowing the facts and violations alleged in the Order to Show Cause.

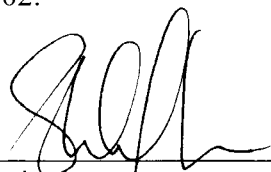
You must attend a hearing that will occur at **160 East 300 South, 4th Floor, Room 457, Salt Lake City, Utah at 10:00 a.m.; on May 20, 2002.**

If you fail to file a written response, as set forth herein, or fail to appear at the hearing, you will be held in default, and an Order to Cease and Desist will enter and a fine may be imposed against you in accordance with Utah Code Ann. §63-46b-11.

The presiding officer in this case is S. Anthony Taggart, Director, Division of Securities, 160 East 300 South, Box 146760, Salt Lake City, Utah 84114-6760, telephone (801)530-6600. The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South Box 146701, Salt Lake City, Utah 84114-6701, telephone (801)530-6648. At such hearing, the Division will be represented by the Utah Attorney General's Office, Box 140872, 160 East 300 South, Salt Lake City, Utah, 84114, telephone (801)366-0310. At the hearing you may appear and be heard and present evidence on your behalf.

You may attempt to negotiate a settlement of the matter without proceeding to the hearing. Should you desire, please contact the Utah Attorney General's Office. Questions regarding the Order to Show Cause and Notice of Agency Action may be directed to Jeff Buckner, Assistant Attorney General, 160 East 300 South, Box 140872, Salt Lake City, Utah, 84114-0872, telephone (801)366-0310.

DATED this 11th day of April, 2002.



S. Anthony Taggart
Director, Division of Securities
Utah Department of Commerce

CERTIFICATE OF SERVICE

I hereby certify that on the 10th day of April, 2002, I mailed, certified mail, return receipt requested, a copy of the foregoing Petition and Notice of Agency Action to the following

Respondent:

Anthony Gonzales (Grey)
18653 Ventura Blvd. Apt. #236
Tarzana, CA 91356-4103
Certified Mail #

Signature of Mailing Agent

7000 1670 0005 8223 7831

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent to _____
Street, Apt. No. or PO Box No. _____
City, State, ZIP+4 _____

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